

110TH CONGRESS
2D SESSION

S. 3135

To amend the Outer Continental Shelf Lands Act to provide for the establishment of a production incentive fee for nonproducing leases.

IN THE SENATE OF THE UNITED STATES

JUNE 12, 2008

Mr. NELSON of Florida introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To amend the Outer Continental Shelf Lands Act to provide for the establishment of a production incentive fee for nonproducing leases.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Outer Continental
5 Shelf Production Incentive Fee Act”.

6 **SEC. 2. PRODUCTION INCENTIVE FEE.**

7 Section 8 of the Outer Continental Shelf Lands Act
8 (43 U.S.C. 1337) is amended by adding at the end the
9 following:

10 “(q) PRODUCTION INCENTIVE FEE.—

1 “(1) ESTABLISHMENT.—Not later than 180
2 days after the date of enactment of this subsection,
3 the Secretary shall establish, by regulation, a fee for
4 any nonproducing oil or gas leases on outer Conti-
5 nental Shelf land in the Gulf of Mexico that are in
6 effect on the date of enactment of this subsection.

7 “(2) AMOUNT.—The amount of the fee estab-
8 lished under paragraph (1) shall be at a rate estab-
9 lished by the Secretary by regulation, but shall be
10 not less than \$5 per acre per year.

11 “(3) ASSESSMENT AND COLLECTION.—The Sec-
12 retary shall assess and collect the fee established
13 under paragraph (1) on an annual basis, in accord-
14 ance with procedures established by the Secretary by
15 regulation.

16 “(4) DISPOSITION.—Notwithstanding section 9,
17 any amounts collected under paragraph (3) shall
18 be—

19 “(A) available to the Secretary of the Inte-
20 rior for use in accordance with the Land and
21 Water Conservation Fund Act of 1965 (16
22 U.S.C. 460l–4 et seq.); and

23 “(B) treated as offsetting receipts.”.

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